

FISCAL NOTE
SB 1622 - HB 1513

March 5, 2001

SUMMARY OF BILL: Provides that under certain circumstances 10 or more employers of the same non-profit business coalition for health, organized in Tennessee, may enter into an agreement to pool their liabilities to qualify as self-insurers for accident and sickness insurance. The Commissioner of the Department of Commerce and Insurance is given the authority to promulgate such rules and regulations as deemed necessary to provide for the solvency, administration, and enforcement of such pooling agreements. This pool is subject to taxation under Chapter 4 of Title 56, filing and approval under Chapter 26 of Title 56, and laws for protection of policyholders under Chapter 7 of Title 56.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Less Than \$100,000
Increase State Expenditures - \$50,300 Recurring
\$7,000 One-Time

Estimates assume:

- an increase in state revenues from premium taxes to the extent that employers who are not covered under an existing plan choose to join a plan under the provisions of this bill.
- an increase in state revenues from the collection of examination fees. The Department of Commerce and Insurance charges the costs of examinations back to the entity being examined.
- one additional position and related expenses would be needed to implement and monitor the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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